

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: ) Chapter 11  
W. R. Grace & Co., et al.<sup>1</sup> )  
Debtors. ) Case No. 01-01139 (JKF)  
 ) (Jointly Administered)  
 ) Hearing Date: September 13, 2010 at 10:30 a.m.  
 ) Objection Deadline: June 1, 2010 at 4:00 p.m.  
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**SUMMARY OF FIFTH QUARTERLY INTERIM VERIFIED APPLICATION OF THE  
LAW OFFICES OF JANET S. BAER, P.C. FOR COMPENSATION FOR SERVICES  
AND REIMBURSEMENT OF EXPENSES AS BANKRUPTCY COUNSEL TO W. R.  
GRACE & CO., ET AL., FOR THE INTERIM PERIOD FROM JANUARY 1, 2010,  
THROUGH MARCH 31, 2010**

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Name of Applicant: The Law Offices of Janet S. Baer, P.C.  
Authorized to Provide Professional Services to: W. R. Grace & Co., et al., Debtors and  
Debtors-in-Possession  
Date of Retention: Retention Order entered March 24, 2009,  
effective as of February 11, 2009

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food >N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Period for which compensation and reimbursement is sought: January 1, 2010, through March 31, 2010

Amount of Compensation sought as actual, reasonable and necessary: \$474,577.50

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$8,019.81

This is a    monthly X quarterly application. Previous fee applications:<sup>2</sup>

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
March 27, 2009	2/1/09 – 2/28/09	\$75,250.00	\$1,430.21	Interim approval	Interim approval
April 28, 2009	3/1/09-3/31/09	\$113,875.00	\$2,436.16	Interim approval	Interim approval
May 8, 2009	January-March 2009	\$189,125.00	\$3,866.87	Interim approval	Interim approval
May 29, 2009	4/1/09 – 4.30/09	\$122,500.00	\$5,441.87	Interim approval	Interim approval
June 30, 2009	5/1/09 – 5/31/09	\$104,062.50	\$7,305.16	Interim approval	Interim approval
July 30, 2009	6/1/09 – 6/30/09	\$157,250.00	\$6,199.89	Interim approval	Interim approval
August 14, 2009	April-June 2009	\$383,812.50	\$18,946.28	Interim approval	Interim approval
September 1, 2009	7/1/09 – 7/31/09	\$132,875.00	\$3,495.71	Interim approval	Interim approval
September 29, 2009	8/1/09 – 8/31/09	\$132,187.50	\$3,690.83	Interim approval	Interim approval
October 27, 2009	9/1/09 – 9/30/09	\$209,760.00	\$7,303.75	Interim approval	Interim approval
November 18, 2009	July-Sept. 2009	\$474,822.50	\$14,490.29	Interim approval	Interim approval
November 24, 2009	10/1-10/31/09	\$191,795.00	\$6,472.87	Interim approval	Interim approval
December 21, 2009	11/01/-11/30/09	\$122,245.00	\$744.30	Interim approval	Interim approval
January 27, 2010	12/01/09-12/31/09	\$145,342.50	\$1,707.64	Interim approval	Interim approval
February 4, 2010	Oct.-Dec. 2009	\$459,382.50	\$8,924.81	Pending	Pending
February 25, 2010	1/1/10-1/31/10	\$189,937.50	\$4,467.91	Interim approval	Interim approval
March 25, 2010	2/1/10-2/28/10	\$154,075.00	\$11,306.92	Interim approval	Interim approval
April 28, 2010	3/1/10-3/31/10	\$130,565.00	\$2,244.98	Pending	Pending

<sup>2</sup> Please note that in the first page of the summary of the October Fee Application, the total fees for Janet S. Baer reads "113,522.60". It should read "113,562.50". Exhibit A to the October Fee Application contains the correct number. The total requested fees for the month, \$191,795.00, is the correct amount.

Also, Exhibit B to the December Fee Application, "Expense Summary" reads "Total October Expenses: \$1,236.44." It should read "Total December Expenses \$1,707.64." The amount is correct elsewhere in the December Fee Application.

JSB has filed certificates of no objection with the Court for the January and February Monthly Fee Applications because no objections were filed with the Court within the objection period. The objection deadline for the March 2010 Fee Application is May 18, 2010. The hearing for this interim period of January 1, 2010, through March 31, 2010, (the “Fee Period”) has been scheduled for September 13, 2010. Janet S. Baer and Roger J. Higgins both rendered professional services in these cases during the Fee Period:

Name of Professional Person	Position with the Applicant and Year Admitted		Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
Janet S. Baer	President	1982	Restructuring	\$625.00	413.60	\$258,500.00
Roger J. Higgins	of Counsel	1997	Restructuring	\$475.00	454.90	\$216,077.50
<b>Total Hours Billed and Compensation Requested</b>					868.50	<b>\$474,577.50</b>

There are no paraprofessionals of JSB who rendered professional services in these cases during the Fee Period who have charged fees to the Debtors.

**Grand Total for Fees:**           **\$474,577.50**

**Grand Total for Expenses:**       **\$8,019.81**

**COMPENSATION BY MATTER**

Matter Number	Matter Description	Total Billed Hours	Total Fees Requested
3	Business Operations	11.50	\$6,602.50
4	Case Administration	32.10	\$19,777.50
6	Claim Analysis Objection and Resolution (Non-Asbestos)	325.60	\$160,255.00
8	Employee Benefits/Pension	25.70	\$13,452.50
10	Employment Applications, Others	5.90	\$3,687.50
11	Fee Applications, Applicant	33.90	\$17,407.50
12	Fee Applications, Others	16.40	\$10,250.00
13	Financing	119.00	\$59,000.00
14	Hearings	26.00	\$15,470.00
15	Litigation and Litigation Consulting	107.50	\$67,187.50
16	Plan and Disclosure Statement	140.90	\$88,062.50
17	Relief From Stay Proceedings	10.50	\$4,987.50
20	Travel	13.50	\$8,437.50
	<b>Total Hours Billed and Compensation Requested</b>	<b>868.50</b>	<b>\$474,577.50</b>

**EXPENSE SUMMARY**

Service Description	Amount
Airfare, travel service fees	\$1,281.80
Hotel/Lodging expenses	\$ 468.94
Transportation to/from Airports	\$ 795.41
Travel Meals	\$ 102.24
Long Distance/Conference Telephone Charges	\$3,281.08
Computerized Legal Research	\$1,712.82
Graphic Services	\$ 318.55
Postage, Messenger Service, and Miscellaneous	\$ 58.97
<b>Total Expenses</b>	<b>\$8,019.81</b>

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JANET S. BAER, P.C. FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT  
OF EXPENSES AS BANKRUPTCY COUNSEL TO W. R. GRACE & CO., ET AL., FOR  
THE INTERIM PERIOD FROM JANUARY 1, 2010, THROUGH MARCH 31, 2010**

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Pursuant to sections 327, 330 and 331 of title 11 of the United States Code (as amended, the “Bankruptcy Code”), Fed. R. Bankr. P. 2016, the Retention Order (as defined below), the *Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Professionals and Official Committee Members* (the “Interim Compensation Order”), the *Amended Administrative Order under 11 U.S.C. §§ 105(a)*

<sup>3</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food >N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

*and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members* (the “Amended Interim Compensation Order”) and Del.Bankr.LR 2016-2, the law firm of The Law Offices of Janet S. Baer, P.C. (“JSB”), bankruptcy co-counsel for the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) in their chapter 11 cases, hereby applies for an order allowing it (i) compensation in the amount of \$474,577.50 for the reasonable and necessary legal services JSB has rendered to the Debtors and (ii) reimbursement for the actual and necessary expenses that JSB has incurred in the amount of \$8,019.81 (the “Fifth Quarterly Fee Application”), in each case for the interim quarterly period from January 1, 2010, through March 31, 2010 (the “Fee Period”). In support of this Fifth Quarterly Fee Application, JSB respectfully states as follows:

#### **BACKGROUND**

##### ***Retention of JSB***

1. On April 2, 2001 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). On April 2, 2001, the Court entered an order procedurally consolidating the Chapter 11 Cases for administrative purposes only. Since the Petition Date, the Debtors have continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. By this Court’s order dated March 24, 2009, the Debtors were authorized to retain JSB as their co-counsel, effective as of the February 11, 2009, with regard to the prosecution of the Chapter 11 Cases and all related matters (the “Retention Order”). The Retention Order authorizes the Debtors to compensate JSB at JSB’s hourly rates charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expenses that it incurred, subject to

application to this Court in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, all applicable local rules and orders of this Court.

***Monthly Interim Fee Applications Covered Herein***

3. Pursuant to the procedures set forth in the Interim Compensation Order, as amended by the Amended Interim Compensation Order, professionals may apply for monthly compensation and reimbursement (each such application, a “Monthly Fee Application”), and the notice parties listed in the Amended Interim Compensation Order (the “Notice Parties”) may object to any such request. If no Notice Party objects to a professional's Monthly Fee Application within twenty (20) days after the date of service of the Monthly Fee Application, the applicable professional may submit to the Court a certification of no objection whereupon the Debtors are authorized to pay interim compensation and reimbursement of 80% of the fees and 100% of the expenses requested.

4. Furthermore, and also pursuant to the Amended Interim Compensation Order, within 45 days of the end of each quarter, professionals are to file and serve upon the Notice Parties a quarterly request (each such request, a “Quarterly Fee Application”) for interim Court approval and allowance of the Monthly Fee Applications filed during the quarter covered by that Quarterly Fee Application. If the Court grants the relief requested by the Quarterly fee application, the debtors are authorized and directed to pay the professional 100% of the fees and expenses requested in the monthly fee applications covered by that Quarterly Fee Application less any amounts previously paid in connection with the Monthly Fee Applications. Any payment made pursuant to the Monthly Fee Applications or a Quarterly Fee Application is subject to final approval of all fees and expenses at a hearing on the professional's final fee application.

5. The Fifth Quarterly Fee Application is the fifth such application submitted in accordance with the Amended Interim Compensation Order for compensation for services rendered that JSB has filed with the Bankruptcy Court in connection with the Chapter 11 Cases. The Fifth Quarterly Fee Application's Fee Period is January 1, 2010, through March 31, 2010.

6. JSB has filed the following Monthly Fee Applications for interim compensation during this Fee Period:

- a. *Summary Application of The Law Offices of Janet S. Baer P.C. for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al., for the Monthly Interim Period from January 1, 2010 – January 31, 2010, filed February 25, 2010 (the “January 2010 Fee Application”)* attached hereto as Exhibit A; and
- b. *Summary Application of The Law Offices of Janet S. Baer, P.C. for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al., for the Monthly Interim Period from February 1, 2010, through February 28, 2010, filed March 25, 2010, (the “February 2010 Fee Application”)* attached hereto as Exhibit B; and
- c. *Summary Application of The Law Offices of Janet S. Baer, P.C. for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al. for the Monthly Interim Period from March 1, 2010, through March 31, 2009, filed April 28, 2010 (the “March 2010 Fee Application”, collectively with the January and February 2010 Fee Applications, the “Applications”)* attached hereto as Exhibit C.

7. The respective periods for objecting to the fees and expense reimbursement requested in the January and February 2010 Monthly Fee Applications passed without any objections being filed, and the Debtors filed certificates of no objection with the Court for each of the January and February 2010 Monthly Applications. The Debtors have either paid or will pay interim compensation and reimbursement of 80% of the fees and 100% of the expenses requested in those Monthly Fee Applications. The objection deadline for the March 2010 Fee Application is May 18, 2010.

8. JSB has advised and represented the Debtors as co-counsel in connection with the operation of their businesses and other matters arising in the performance of their duties as a debtors-in-possession during the Fee Period covered by the Fifth Quarterly Fee Application. Furthermore, JSB has prepared various pleadings, motions and other papers submitted to this Court for consideration, has appeared before this Court during hearings regarding these cases and has performed various other professional services that are described in the Applications.

***Previous Quarterly Fee Applications***

9. JSB has filed four previous Quarterly Fee Applications. The Court approved the first three such Quarterly Fee Applications at the following hearings:

QUARTERLY FEE APPLICATION	ORDER DATED	DOCKET NO.
First (January 1, 2009, through March 31, 2009)	September 29, 2009	21609
Second (April 1, 2009, through June 30, 2009)	December 11, 2009	22816
Third (July 1, 2009, through September 30, 2009)	March 22, 2010	23793

10. The Court is scheduled to hear the Fourth Quarterly Fee Application, for the period of October 1, 2009, though December 31, 2009, at the hearing currently scheduled for June 7, 2010.

***Requested Relief***

11. By this Fifth Quarterly Fee Application, JSB requests that the Court approve the interim allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by JSB for the Fee Period as detailed in the Applications, less any amounts previously paid to JSB pursuant to the Applications and the procedures set forth in the Amended Interim Compensation Order. As stated above, the full scope of services provided and the related expenses incurred are fully described in the Applications, which are attached hereto as Exhibits A, B, and C.

***Disinterestedness***

12. As disclosed in the *Affidavit of Janet S. Baer in Support of the Application of the Debtors for the Entry of an Order Authorizing the Retention and Employment of The Law Offices of Janet S. Baer, P.C. as Co-Counsel to the Debtors* (the “Affidavit”), filed on February 12, 2009, JSB does not hold or represent any interest adverse to the estates, and has been, at all relevant times, a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

13. JSB may have in the past represented or may likely in the future represent parties-in-interest in connection with matters unrelated to the Debtors and the Chapter 11 Cases. JSB disclosed in the Affidavit its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. JSB will update the Affidavit when necessary and when JSB becomes aware of material new information.

**REPRESENTATIONS**

14. JSB believes that the Fifth Quarterly Fee Application complies with the requirements of Del.Bankr.LR 2016-2 and the Amended Interim Compensation Order.

15. JSB performed the services for which it is seeking compensation on behalf of or for the Debtors and their estates, and not on behalf of any committee, creditor or other person.

16. During the Fee Period, JSB has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these Chapter 11 Cases other than the interim compensation payments pursuant to the Amended Interim Compensation Order.

17. Pursuant to Fed. R. Bank. P. 2016(b), JSB has not shared, nor has agreed to share, (a) any compensation it has received or may receive with another party or person other than with

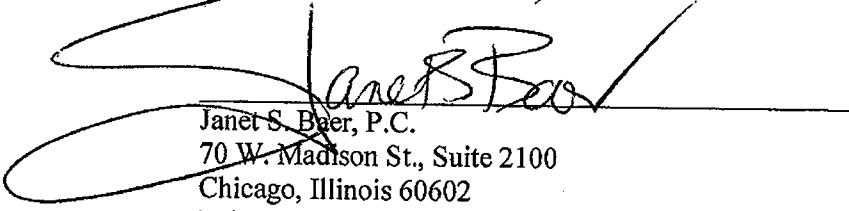
the partners, counsel and associates of JSB, or (b) any compensation another person or party has received or may receive in connection with the Chapter 11 Cases.

WHEREFORE, JSB respectfully requests that the Court enter an order providing that (a) for the Fee Period, January 1, 2010, through March 31, 2010, an administrative allowance be made to JSB in the sum of (i) \$474,577.50 as compensation for reasonable and necessary professional services rendered to the Debtors and (ii) \$8,019.91 for reimbursement of actual and necessary costs and expenses incurred, for a total of \$482,597.41; (b) the Debtors be authorized and directed to pay to JSB the outstanding amount of such sums less any sums previously paid to JSB pursuant to the Applications and the procedures set forth in the Amended Interim Compensation Order; and (c) this Court grant such further relief as is equitable and just.

Dated: May 11, 2010

Respectfully submitted,

THE LAW OFFICES OF JANET S. BAER, P.C.

  
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